

### Closed Session III Project NAPA– September 5, 2006

At 6:10 p.m., the Board, already in closed session on another matter, began discussion on a different matter relating to the location or expansion of business in the area served by the Board, pursuant to N.C.G.S. 143-318.11(a)(4). Commissioners Holmes, Kemp, Frye, Lanier and Davis were present, as well as County Manager Richard Wells; Assistant County Manager/Finance Officer Will Massie; County Attorney Alan Pugh; Aimee Scotton, Associate County Attorney; Cheryl Ivey, Clerk to the Board; Amanda Jones, Deputy Clerk to the Board; and Bonnie Renfro and Harry Lane from Randolph County Economic Development Corporation (EDC).

Bonnie Renfro, Executive Director of Randolph County Economic Development Corporation, said that an existing company in Randolph County wishes to relocate its Florida-based office and production line to Randolph County. At this point, the company has asked that its name be kept confidential. Although the company is considering other locations outside Randolph County, it wishes to remain in Liberty and is interested in the Liberty shell building. The Town of Liberty is very interested in the project because they don't want to lose the existing jobs should the company decide to relocate from its Liberty site.

The following is a projected project summary:

#### Capital Investment (Excluding land and buildings)

Phase I	\$3,000,000
Phase II	\$ N/A
Phase III	\$ N/A

#### Investment Breakdown (Est.)

Land/Building	\$ To be determined (Estimated building improvements -- \$1.5 million)
Equipment	\$2,500,000
Soft costs	\$ 500,000

#### Employment

Existing:	158
Year 3:	215
Net New Jobs:	57

#### Total Estimated Annual Payroll

Year 1:	\$10,480,000 (Avg. wage: \$18.32/hr.)
Year 2:	\$ 9,267,000 (Avg. wage: \$19.54/hr.)
Year 3:	\$ 8,903,000 (Avg. wage: \$19.90/hr.)

Net New Hires (57) Annual Payroll: \$3,332,000 (Avg. wage: \$28.10/hr.)

Ms. Renfro said that the primary factors in the location decision are labor availability, skills and costs; worker training support; taxes and business costs; utility costs; and incentives. The company plans to make a decision early in 4<sup>th</sup> quarter 2006.

Ms. Renfro presented the following proposed incentive plan:

Project investment:	\$5-6.25 million
Estimated Property Tax Revenues:	\$26,750-\$33,437
Three years revenue:	\$80,250
Five years revenue:	\$100,312
Performance-based grant:	\$75,000 over three years \$100,000 over five years

The Board expressed interest in the project and directed Ms. Renfro to continue negotiations and to keep the Board informed.

*At 6:27 p.m. on motion of Frye, seconded by Davis, the Board voted unanimously to end closed session and return to regular session.*

\_\_\_\_\_  
J. Harold Holmes, Chairman

\_\_\_\_\_  
Darrell L. Frye, Vice Chairman

\_\_\_\_\_  
Phil Kemp

\_\_\_\_\_  
Robert B. Davis

\_\_\_\_\_  
Arnold Lanier

\_\_\_\_\_  
Cheryl A. Ivey, Clerk to the Board